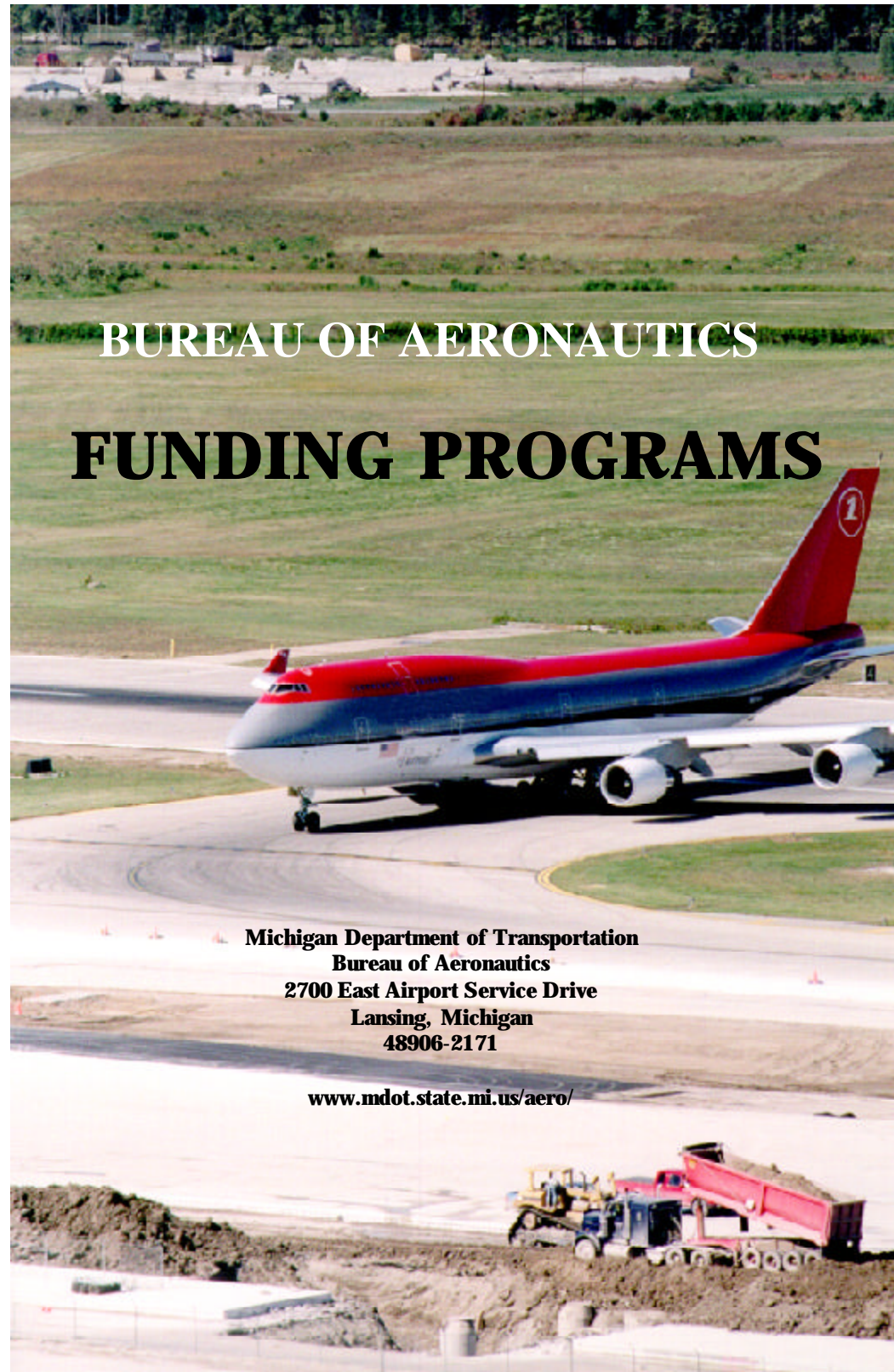


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BUREAU OF AERONAUTICS FUNDING PROGRAMS

**Michigan Department of Transportation
Bureau of Aeronautics
2700 East Airport Service Drive
Lansing, Michigan
48906-2171**

www.mdot.state.mi.us/aero/



BUREAU OF AERONAUTICS

OVERVIEW

The Bureau of Aeronautics (AERO) is responsible for the overall administration of aviation programs and airport development within the state. These responsibilities include project management for programming, planning, design, and construction of airport development projects. AERO provides assistance to communities by coordinating and developing air service, and enhancing air transportation and state commerce by implementing the State Airport System Plan, including the preservation of the existing system and expanding the system where needed to meet aviation demands.

AERO's role in assisting with the development of Michigan airports is twofold. The first is to participate in the financial cost of developmental projects; the second is to act as agent for the local airport in providing contracting, engineering management, and financial accounting for projects.

State funds for aviation projects are supported by the state's Aeronautics Fund and General Fund. Federal funds for Michigan's aeronautical programs are funded through the federal Aviation Trust Fund.

AERO maintains and updates a 5-year airport funding program. This program provides a view of future funding needs for each of the listed airports. Projects are prioritized and must meet federal (if applicable) and state eligibility requirements. Eligibility for federal and state supported projects (excluding Air Service Program) are as follows:

- ✈ Publicly-owned airports are eligible for federal/state/local projects if the airport is included in the National Plan of Integrated Airports System Plan (NPIASP).
- ✈ Private airports are eligible under the federal program if the site is listed as a reliever in the NPIASP.
- ✈ Private airports are eligible under AERO programs if the site is in the Michigan Airport System Plan (MASP) and carries a general utility license.

- ✈ Airports must adhere to an approved master plan, state and federal environmental clearances, and contractual requirements.
- ✈ Airports must agree to all federal grant conditions and assurances as listed in the grant agreements.

FUNDING PROGRAMS

Federal/State/Local Airport Development Program

This program is designed to be used at airports for relatively large capital improvement projects, such as new runways, runway extensions, or parallel taxiways. Funding percentages for the federal/state/local program are 90 percent federal, 5 percent state, and 5 percent local (subject to state funding limitations). In addition to capital improvement projects, master planning projects can also be funded.

An airport master plan includes a study of aviation needs and the development of an overall plan for an airport showing recommended facility development to take place over a 20-year period. The plan is used as a tool to guide the systematic development of an airport.



State funding participation in this program is limited and cannot exceed \$250,000 in any two consecutive years.

State funding is not eligible as a match for land acquisition except in participation with the acquisition of a new airport or land within a runway approach. (Definition of a new airport is a privately-owned, public-use airport acquired by a public entity.)

Federal and state funds are not provided for operational maintenance of airport facilities. This is the responsibility of the airport owner.

Contact Person: Mr. David Baker; phone: 517-335-9672; e-mail address: bakerda@mdot.state.mi.us

State/Local Small Airport Development Program

This program involves state and local funds for capital improvement projects at airports with less than 150 based aircraft. State funds are provided at 90 percent of an eligible project with the remaining 10 percent provided by local funding. Large projects that are not otherwise eligible, or projects that do not meet the appropriate priority rating to be included in the federal program, are funded under this program.

Contact Person: Mr. David Baker; phone: 517-335-9672; e-mail address: bakerda@mdot.state.mi.us

State/Local Airport Development Program

This program involves matching state and local funds for capital improvement projects. State funds are limited to \$75,000 and must be matched by local funds on a 50/50 basis.

Statewide preventive maintenance projects such as crack sealing and pavement marking, are sponsored under this program, as well as the development of airport zoning plans. A zoning plan is prepared to ensure land use compatibility and to regulate the erection of tall structures in the airport's surrounding area. A zoning ordinance is usually developed as part of the planning process.

Contact Person: Mr. David Baker; phone: 517-335-9672; e-mail address: bakerda@mdot.state.mi.us

Loan Program

This program allows a publicly-owned airport to borrow up to \$100,000 for airport related projects. The interest rate on the loan is established annually by the state treasurer and has a six percent maximum ceiling. Repayment is scheduled for yearly installments over a maximum 10-year period.

Loans are often used by sponsors for their local match obligation in capital improvement projects; however, a loan cannot exceed 90 percent of the sponsor's match of the project cost.

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Air Service Program

This program is aimed at improving scheduled air service at Michigan airports. The program is comprised of three categories :

✈ **Capital Improvement and Equipment:** This category includes state funding up to 90 percent for air carrier airports with fewer than 150,000 annual passenger enplanements and 50 percent state participation for airports exceeding 150,000 enplanements.



Maximum state grant amount per project that can be used is \$80,000.

✈ **Carrier Recruitment and Retention:** This category is to assist in establishing, maintaining, or increasing air service levels at Michigan airports. This category has three elements, (1) feasibility studies, (2) risk sharing, and (3) incentives, and is available to air carrier airports with fewer than 150,000 annual passenger enplanements.

✈ **Airport Awareness:** This category is to increase public awareness of local air carrier airports, and available passenger and cargo services. Ninety percent state funds provide up to \$25,000 over a 12-month period for projects at air carrier airports with fewer than 150,000 annual passenger enplanements.

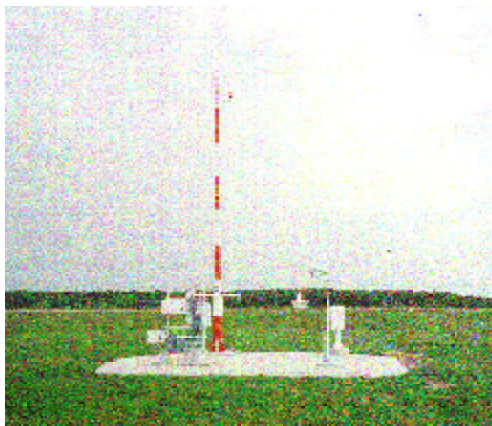
Contact Person: Ms. Pauline Misjak; phone: 517-335-9952; e-mail address: misjakp@mdot.state.mi.us.

All Weather Airport Access Program

This program provides aviation weather reporting and dissemination, plus enhanced communication capabilities at various airports throughout the state. The weather reporting and dissemination portion of the program includes the purchase and installation of an Automated Weather Observation Station (AWOS), including a satellite data link system and a Pilot Information System. Enhanced communication

capabilities consist of the purchase and installation of a Ground Communication Outlet (GCO).

The AWOS is a computer-based system that uses automated sensors to report weather data at its location. The data is provided to pilots in three ways: (1) a computer-generated voice that transmits a minute-by-minute update via an aeronautical radio (VHF discrete, VOR, or NDB voice); (2) the same computer-generated voice is also available on a dial-up basis by telephone; and (3) through use of a data link via satellite, weather information is available on FAA's National Aerospace Data Interchange Network (NADIN). The Pilot Information System enables access, to weather information from any reporting station contained in NADIN. AERO and the local community form a partnership to share costs associated with this system.



AERO is responsible for 90 percent of the purchase and installation, while the local community is responsible for 10 percent. Once the system is commissioned and operational, AERO and the local community share the operational costs on a 50-50 basis.

The GCO consists of a radio receiver/transmitter interfaced to the public telephone system via a radio dial-up dispatch unit. It is primarily used on the ground at non-tower controlled airports to provide the pilot with convenient access to Air Traffic and Flight Service facilities. AERO is 100 percent responsible for the purchase and installation of the GCO system. The local community is responsible for the installation of a separate phone line, and all costs associated with its operation.

Contact Person: Mr. Steve Schultz; phone: 517-335-9627; e-mail address: schultzs@mdot.state.mi.us

APPLICATION PROCESS

Requests for project funding or loan requests may be submitted to the AERO anytime throughout the year. However, requests for airport development projects and capital improvement and equipment projects through the air service program are generally requested through a Call for Projects process.

Application for Airport Development Projects:

A request must include the following information:

1. Name, address and telephone number of the airport owner, and signed by the authorized airport official.
2. A detailed description of the project.
3. Estimated costs for acquisition, design, construction, and management of the project. Construction costs should include a per unit cost of major items, such as bituminous material (cost per ton), base course (cost per cubic yard), fencing (cost per linear foot), etc.
4. Required date of completion (a five-year plan of development, if appropriate).
5. Project justification.
6. A sketch of the airport layout with the requested improvement(s) identified on the sketch.

Submit requests to Mr. Oliver House, Administrator, Airports Division, Bureau of Aeronautics.

Application for Loan Program:

To request a loan, the following information must be supplied:

1. A detailed description of the proposed project.
2. A sketch showing the proposed project and its location.
3. Cost estimates of the proposed work, including construction, engineering, and administrative costs, and contingencies.

4. Certification that the sponsor has 10 percent of the total cost available. The 10 percent must be specified in an exact dollar amount.
5. The loan request must be signed by an official legally empowered to financially obligate the governing unit.

Submit requests to Mr. Oliver House, Administrator, Airports Division, Bureau of Aeronautics.

Application for Air Service Program:

Applications forms are available for this program. Requestors will need to supply the following information:

1. A detailed description of the proposed project, including justification.
2. Estimated cost of the project.
3. Request should be signed by an authorized official.

Submit inquiries to Ms. Pauline Misjak, Administrator, Aviation Services Division, Bureau of Aeronautics.

Application for All Weather Airport Access Program:

AERO provides funding to support the state's share of an installation program. A list of priority sites is maintained and beginning in 2000, will be based upon the MASP. Airports are contacted, based on this list, for potential project participation.

A request, signed by an authorized official, containing justification for the site to be added to the priority list should be sent to AERO for consideration.

Submit inquiries to Mr. Steve Schultz, Manager, Electronic Facilities Section, Bureau of Aeronautics.

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